



Norman B. Bangerter

Governor

Dee C. Hutton

Executive Director

Glenn R. Nielson, Ph.D.

Division Director

# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

355 West North Temple

3 Third Center, Suite 350

Salt Lake City, Utah 84103-1203

801-538-5340

DDDM Certificate of Deposit

August 20, 1991

First Security Bank of Utah  
P.O. Box 99  
Moab, Utah 84532

Attention: Branch Manager

Re: Certificate of Deposit for Happy Jack Mine, M/037/024, San Juan County, Utah

This is regarding to regulatory requirements of the mining statute and rules of the State of Utah, Division of Oil, Gas and Mining, governing the operations and reclamation of the Happy Jack Mine, Permit Number M/037/024, under reclamation by Mr. William D. Petty II.

A \$2,000 Certificate of Deposit will be issued by First Security Bank for a 6-month term which will be automatically renewable upon expiration. The Certificate should be made out in the name of the Utah Dept. of Natural Resources, Division of Oil, Gas and Mining and Mr. William D. Petty II. The interest earned by the Certificate of Deposit will be deposited into Mr. William D. Petty II's personal account. If the Certificate is redeemed before the maturity date and the penalty reduces the face value of \$2,000.00, the State of Utah, Division of Oil, Gas and Mining will go to Mr. William D. Petty II for reimbursement of that loss. If redeemed after the maturity date, then \$2,000.00 will go to the State of Utah, Division of Oil, Gas and Mining and the remaining balance will go to Mr. William D. Petty II's account. The Certificate of Deposit can only be redeemed by the State of Utah, Division of Oil, Gas and Mining.

If the statute or rules of the State of Utah, Division of Oil, Gas and Mining are violated with respect to the operation or reclamation of the Happy Jack Mine covered by this surety, the State of Utah, Division of Oil, Gas and Mining has the authority to call the Certificate on demand, for the full amount of \$2,000.00. Any loss due to an early redemption penalty will be the responsibility of Mr. William D. Petty II, and will not be the expense or responsibility of the State of Utah.

*W.D.P.*




Page 2  
First Security Bank of Utah  
Certificate of Deposit  
William D. Petty  
August 20, 1991

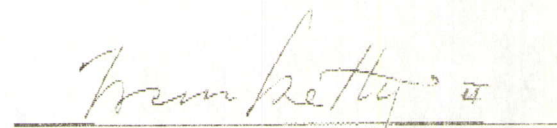
The Division Director's signature, Dianne R. Nielson (or the appropriate Division Director at that time), will be required to call the Certificate or release said funds back to Mr. William D. Petty II.

First Security Bank will not be held liable for any dispute between the parties. These rules pertain to the Certificate of Deposit Number: 19147.

Agreed upon by:

  
Dianne R. Nielson, Director  
Division of Oil, Gas and Mining

Tax I.D. Number: 87-00545

  
William D. Petty II  
Owner/Operator

Tax I.D. Number: 287-64-7399

Please contact the following for further information:

Lowell P. Braxton or D. Wayne Hedberg  
Division of Oil, Gas and Mining  
355 West North Temple, Suite 350  
Salt Lake City, Utah 84180-1203  
(801) 538-5340